

**ENROLLED MINUTES OF THE
HIGHLAND WATERWORKS BOARD OF DIRECTORS
MAY 31, 2017**

The Highland Water Works Board of Directors convened in study session immediately before the Regular Meeting at 1:00 p.m. on Wednesday 31, 2017 in the upper meeting chambers of the Highland Municipal Building, 3333 Ridge Road, Highland Indiana, in order to discuss the final agenda of the regular meeting.

ROLL CALL: Present on silent roll call were Directors George A. Smith, James Norris and Edward Dabrowski. Absent: Director Matt Timmer and George Georgeff. Also present were Derek Snyder, NIES Engineering Inc.; Bob Johnsen, Assistant Public Works Director; Michelle Kobeszka, Recording Secretary; and Michael Griffin, Clerk Treasurer.

1. Mr. Snyder reported on the three water main projects. The water main has been completely installed on all three projects and restoration is expected to be completed within a month and a half. He also discussed Change Order #1 on the Grace St. Water Main Replacement Project, which involves changing the installation method for 400 feet of the water main from open cut to directional drilling due to site conditions. This Change Order results in a \$2,621.00 net decrease to the contract amount.

2. Director Smith discussed the agenda items.

The Highland Water Works Board of Directors met in its Regular Session on Thursday, May 31, 2017 at 1:12 p.m. in the upper meeting chambers of the Highland Municipal Building, 3333 Ridge Road, Highland Indiana. Director Smith opened the meeting. The minutes were recorded by Michelle Kobeszka, Recording Secretary. The session was opened with the Pledge of Allegiance.

ROLL CALL: Present on roll call were Directors George A. Smith, James Norris and Edward Dabrowski. Absent: Director Matt Timmer and George Georgeff. Also present were Derek Snyder, NIES Engineering Inc.; Bob Johnsen, Assistant Public Works Director; Michelle Kobeszka, Recording Secretary; and Michael Griffin, Clerk Treasurer.

MINUTES: Director Smith asked if there were any corrections to the Minutes of the Regular Meeting of April 27, 2017, as prepared and posted. Director Dabrowski moved to approve the Minutes of the Regular Meeting of April 27, 2017. Director Norris seconded. On a vote *viva voce*, the motion passed.

Special Orders: NONE

Communications:

1. Authorizing the proper officer to publish legal notice of a public hearing to consider additional appropriations in the amount of \$131,050.87 in the Water District Capital Fund. Mr. Griffin requested this to be approved first before publishing. Director Norris moved to approve. Director Dabrowski seconded. On a vote *viva voce*, the motion passed.

Unfinished Business and General Orders:

1. Highland Waterworks
Board of Directors
Resolution No. 2017-12

A Resolution Approving and Authorizing Change Order No. One to the Construction Contract between the Highland Water Works Board of Directors and Gatlin Plumbing & Heating, Incorporated for the Grace Street Water Main Replacement Project. Director Norris moved to approve Resolution No. 2017-12. Director Dabrowski seconded. On a vote *viva voce*, the motion passed.

**WATER WORKS DISTRICT OF HIGHLAND
Board of Directors
Resolution No. 2017-12**

A Resolution Approving and Authorizing Change Order No. One to the Construction Contract between the Highland Water Works Board of Directors and Gatlin Plumbing & Heating, Incorporated for the Grace Street Water Main Replacement Project

Whereas, The Highland Waterworks is governed by its Board of Directors, pursuant to the provisions of IC 8-1.5-4 et seq.; and

Whereas, IC 8-1.5-4-4 specifically provides that the Board of Directors shall manage and control all works of the waterworks and may purchase, acquire, construct, reconstruct, operate, repair and maintain all water works; and

Whereas, The Board of Directors in performing its duties, may adopt resolutions, rules and by-laws that are necessary to carry out the provisions of IC 8-1.5-4 et seq. including repealing or amending them consistent with the Waterworks Law; and

Whereas, the District had determined a need to replace existing 2” galvanize pipe water main on Grace Street between LaPorte Street and Grand Boulevard and authorized work for the Grace Street Water Main Replacement Project (project; and

Whereas, NIES Engineering, Incorporated has prepared plans and specifications for the Project on behalf of the Waterworks District and the Project was bid in accordance with IC 36-1-12 *et seq.* and notice was published in accordance with IC 5-3-1; and

Whereas, on March 23, 2017, the Waterworks District adopted Resolution No. 2017-07 and awarded the Project to Gatlin Plumbing & Heating, Incorporated in the amount of One Hundred Ninety-four Thousand Dollars and 00/100 (\$194,000), to be the lowest responsive and responsible bid; and

Whereas, during the course of construction of the Project, it has become necessary to change or alter the original specifications of the project and/or to increase or decrease the planned material quantities; and

Whereas, NIES Engineering, Inc., a licensed engineer performing construction engineering services on this project, has specifically identified and presented Change Order No. 1, attached herewith, which details the changes and alterations to the Project which have a net decrease in the contract amount of Two Thousand Six Hundred Twenty-one Dollars and No Cents (\$2,621.00); and

Whereas, The change order extends the time to complete the work by zero (0) days; and

Whereas, The Waterworks District of Highland, through its Board of Directors, now desires to approve and authorize the Change Order as described.

Now Therefore Be it Resolved by the Board of Directors of the Waterworks District of Highland, Lake County, Indiana, as follows:

Section 1. That the First Addendum to the Construction Contract with Gatlin Plumbing & Heating, Incorporated for the Grace Street Water Main Replacement Project, as prepared by NIES Engineering, Incorporated, a licensed engineer performing construction engineering services on this Project, is hereby determined to be directly related to the original project and is hereby approved, adopted, and ratified in each and every respect;

Section 2. That this addendum is hereby ordered to be known as Change Order No. 1, issued to decrease net changes to the original agreement in the amount of Two Thousand Six Hundred Twenty-one Dollars and No Cents (\$2,621.00), bringing the total value of the entire agreement with any and all change orders approved to date to One Hundred Ninety-one Thousand Three Hundred Seventy-nine Dollars and 00/100 (\$191,379.00); and

Section 3. That the total of all change orders issued that increases the scope of this Project may not exceed twenty percent (20%) of the amount of the original contract, that original being of Two Hundred Thirty-two Thousand Eight Hundred Dollars and 68/100 Cents (\$232,800.00), pursuant to IC 36-1-12-18(d); and

Section 4. That the original contract completion time in the amount of 80 calendar days has been extend by 0 calendar days for a total of 80 calendar days; and

Section 5. That the Proper Officers are hereby authorized to execute the necessary documents with their signatures.

Duly Approved and Adopted by the Board of Directors of the Waterworks District of Highland, Lake County, Indiana this 31st day of May, 2017 by a vote of 3 in favor and 0 opposed.

**BOARD of WATERWORKS DIRECTORS
WATERWORKS DISTRICT of HIGHLAND, INDIANA**

George A. Smith, President

Attest:

George Georgeff, Secretary of the Board of Directors

2. Highland Waterworks
Board of Directors
Resolution No. 2017-13

A Resolution to Amend the Code of Rules and Regulations of the Water Utility, amending several rules. Director Norris moved to approve Resolution No. 2017-13. Director Dabrowski seconded. Director Smith opened the matter for discussion. The Board discussed the various changes with the assistance of Clerk-Treasurer Michael Griffin. In addition, Mr. Chris Polack from BS&A was present at the meeting and provided a breakout sheet comparing the proposed penalty changes and their impact. Since several revisions were still necessary and a quorum of support could not be reached to approve the resolution, the motion was tabled for the next meeting.

Whenever an existing provision in the rules or regulations is being amended, the text of the existing provision will appear in this style of type, additions will appear in **this style of type**, and deletions will appear in ~~this style of type~~. Whenever a wholly new provision is being adopted for the rules, the text of the new provision will appear in **this style of type**. Also, the word **NEW** will appear in that style type in the introductory clause of each section that adds a new clause.

**HIGHLAND DEPARTMENT OF WATER WORKS
WATER WORKS BOARD OF DIRECTORS**

**A Resolution to Amend the Code of Rules and Regulations of
the Water Utility, amending several rules**

RESOLUTION NO. 2017-13

WHEREAS, The Town Council as Legislative Body of the Municipality passed an Ordinance adopting the provisions of IC 8-1.5-4 establishing a department of waterworks controlled by a board of directors;

WHEREAS, The aforementioned Chapter incorporates the provisions of IC 8-1.5-3-4 entitled *Powers and Duties*, making it applicable to departments of waterworks, indicating that for the purposes set forth in those statutes, the board of directors serves as both the governing board and the municipal legislative body; and

WHEREAS, The Board of Directors has general supervisory powers over the utilities under its control, in particular to adopt rules for the safe, economical and efficient management of the utility and to make findings and determination;

Whereas, Section 12.05.090 of the Highland Municipal Code Authorizes the Board of Waterworks Directors to adopt rules for the safe, economical and efficient management of the utility and to make findings and determinations as well as recommend rates and charges for the operation of the utility for adoption by the municipal legislative body; and

Whereas, The Board of Waterworks Directors desires to adopt a new rule or amend existing rules to further perfect the Code of Rules and Regulations as well as to further affect the safe, economical and efficient management of the utility and its operation,

Now, Therefore, Be it hereby Enacted Among the Code of Rules and Regulations of the Department of Waterworks by the Board of Directors of the Department of Waterworks of the Town of Highland as follows:

Section 1. That the Waterworks Rules and Regulations be hereby amended by the deletion of **Rule 1.17.2** in its entirety and its replacement with a successor rule to be styled as **Rule 1.17.3** and adopted which shall read as follows:

Rule 1.17.3 Meter reading, billings, and delinquencies.

(A) Meters will be read electronically via radio frequency by the utility each month. Effective October 1, 2010, a monthly meter-reading surcharge shall apply to any customer that has not converted to an electronic transmitting register in accordance with Rule 2.3. Call-in readings are not accepted.

(B) Bills will be rendered monthly according to the schedule of rates filed, **except where otherwise indicated**. The billing date shall be on or around the fifth day of the month following the reading periods in the town with such bill to be due for payment on or around the twentieth of the month.

~~(B)~~ (C) If payment is not received in the office of the clerk-treasurer or at such other places as designated by the utility before 12:00 midnight on **or before the delinquent due** date indicated on the bill, the customer will be considered delinquent and at any time thereafter, prior **to** the payment thereof, the utility may, after serving 10 days notice, discontinue water service. Except as otherwise provided herein, delinquent payment penalties, including any charges associated with **restoration of service** ~~turn-offs and turn-ons~~, shall be charged in accordance with Rule 2.2 and Rule 2.3. In addition, a late or delayed payment penalty may be charged for unpaid balances, which may remain after one billing cycle following the delinquency. The late payment penalty shall be charged pursuant to Rule 2.3.

(D) A delinquent customer will receive a delinquent (past due) notice and invoice with the next monthly bill first succeeding the delinquency. The current bill and the past due bill shall be due on the same due date. If the current bill and the past due bill are not paid on or before the due date stated on the regular bill, the utility shall discontinue the customer's water service. The bill and the delinquency notification will serve as the only notice. Service will be restored only upon full payment of the current bill; the past due bill, including the delinquent charges; and service restoration charges as set forth in Rule 2.3.

(E) (NEW) Notwithstanding the previous subdivision, if the combined balance due for all services from a delinquent customer is eighty dollars (\$80) or less, no delinquent (past due) notice shall be issued.

~~(C)~~ **(F)** A reasonable grace period following the delinquent date indicated on the bill in which delinquent charges may be waived, may be granted by the collection and billing authority to customers for any of the following reasons:

- (1) Delays in mail delivery, delays from collection of payments made at off-premises collection sites and delays due to a holiday period;
- (2) Incidents of the timing in receiving pension and/or Social Security payments;
- (3) A history in which the customer has not been late in making payment in the previous 12 months;
- (4) During the pendency of a billing dispute resolution process or a delay in consequence of a billing dispute process;
- (5) Delay following the death of a customer or a delay in payment from an estate of a decedent.

~~(D)~~ **(G)** All water charges shall attach to the premises served as well as to the customer. If water service charges are left unpaid by a customer upon vacation of the premises served, the utility shall withhold water service to said premises until the charges are paid.

~~(E)~~ **(H)** Bills for private fire protection shall be rendered quarterly as other bills of the utility.

~~(F)~~ **(I)** Bills for irrigation systems that are separately metered shall be rendered monthly with such billing activity to commence in May and continue until the month of October. In all other months no bill will be rendered. In addition, meters that are separately installed and dedicated solely to the measurement of consumption by an irrigation system shall not be subject to the fire protection surcharge or hydrant maintenance fee.

~~(G)~~ **(J)** Each bill shall be due upon receipt and payable at the office of the collection and billing authority or at such other places as may be designated by the utility. Such places shall be set forth in Rule 2.4.

~~(H)~~ **(K)** Personal checks returned not paid for any reason shall be the subject of a service charge per Rule 2.3.

~~(I)~~ **(L)** All water department personnel and its supervision shall be bonded for the collection and handling of utility funds. (November 2001) [Res. 2010-10 § 2, 2010].

Section 2. That the Waterworks Rules and Regulations be hereby amended by the deletion of **Rule 2.2** in its entirety and its replacement with a successor rule to be styled as **Rule 2.2.1** and adopted which shall read as follows:

Rule 2.2.1 Delinquent payment penalty.

All bills for water service not paid on the due date thereof, as stated in such bills, shall be subject to a collection or delinquent payment charge **of ten dollars (\$10) plus ten (10) percent** on the first \$3.00; and ~~three~~ **one (1%)** percent on the excess over \$3.00. Also see late payment charge **in Rule 2.3.**

Alternative Rule 2.2.1 Delinquent payment penalty

All bills for water service not paid on the due date thereof, as stated in such billing, shall be subject to a collection or delinquent payment charge **of the greater of Ten dollars (\$10) or 10% of any balance due and owing.** A late or delayed payment charge under Rule 2.3 may be applicable.

Section 3. That the Waterworks Rules and Regulations be hereby amended by the deletion of **Rule 2.3** in its entirety and its replacement with a successor rule to be styled as **Rule 2.3** and adopted which shall read as follows:

Rule 2.3 Schedule of nonrecurring fees and charges.

The following additional fees and charges are set forth as follows:

- (1) Service Deposit:
 - Residential \$60.00
 - Small business \$75.00
 - Large business (car wash, laundromat, restaurant) (See Rule 1.8) \$200.00
- (2) Construction Water Use:
 - Without meter. See building inspector for charges (See Rule 1.10)
- (3) Service Charge for Meters:
 - 5/8" Meter cost plus \$50.00
 - 1" Meter cost plus \$50.00

1-1/2" Meter cost plus
\$50.00

For larger meters Meter cost plus
\$50.00

(4) Tapping/Inspection
Charge

Residential \$200.00

C o m m e r c i a l / \$330.00
Industrial

(5) Meter Testing \$ 35.00
(Residential)

Meter testing all Actual cost plus
others (See Rule \$15.00
1.16.1(I))

(6) Read-O-Matics:

(7) Frozen or Carelessness/Repair of Meter:

Fee scheduled by water department (See
Rule 1.16.1(H))

(8) Late or Delayed Payment Charge:

**Ten dollars (\$10) per month plus Three
one (1%) percent per month on unpaid
balance.**

(9) Service Restoration Charges:

~~Turn-Off Charge~~ \$15.00 **\$30.00**

~~Turn-On Charge~~ \$15.00

(See Rule 1.17.2(B)

1.17.3)

Urgent service \$50.00

restoration surcharge:

In addition to the fees above, a surcharge in the identified amount will be charged to restore water services Monday through Thursday after 3:00 p.m.

~~(9)~~(10) Returned or NSF Actual bank
Checks: charge plus
(See Rule ~~1.17.2(H)~~ ~~\$7.50~~ **\$15.00**
1.17.3(J)) administrative
fee.

~~(10)~~ Maintenance of \$20.00 per day
(11) Service Pipes and
Meter Boxes: Water
wastage service fee
after grace period (See
Rule 1.14)

~~(11)~~ Manual Meter \$28.33 per
(12) Reading Surcharge month
Fee
(See Rule ~~1.17.2~~
1.17.3)

Section 4. That the Waterworks Rules and Regulations be hereby amended by the deletion of **Rule 2.4** in its entirety and its replacement with a successor rule to be styled as **Rule 2.4** and adopted which shall read as follows:

Rule 2.4 Authorized sites for collection of utility charges.

In addition to the office of the collection and billing authority, the following places are designated authorized agents of the utility for the purposes of receiving payments from utility customers for all charges, fees and rates authorized under these rules:

(A) ~~Sandridge~~ **First Financial** Bank at all Highland branches.

Section 5. That these rules and regulations shall go into and remain in full force and effect from and after their passage and adoption by the Board of Directors of the Highland Waterworks, subject to the following:

(A) The Clerk-Treasurer is authorized to take steps to promulgate the rule change related to notification of delinquencies, allowing for up to two (2) customer notifications before implementing the rule;

(B) The Board hereby ratifies the actions taken by the billing authority in anticipation of this rule amendment, including the suspension of delinquency notices, all pursuant to IC 36-1-4-16.

Introduced and filed on the ____ day of ____ 2017. Consideration on same day or at same meeting of introduction. No further action was taken pursuant to Section 12.05.090 of the Highland Municipal Code.

Duly Passed and Adopted by the Board of Directors of the Highland Water Works, Lake County, Indiana this ____ day of ____ 2017 by a vote of ____ in favor and ____ opposed.

**HIGHLAND DEPARTMENT of WATER WORKS
BY ITS BOARD of DIRECTORS:**

George A. Smith, President

Attest:

George Georgeff, Secretary of the Waterworks Board

New Business: NONE

- Reports:**
1. Waterworks Superintendent- NONE
 2. Waterworks Attorney- NONE
 3. Waterworks Engineer- NONE
 4. Fire Department- NONE

Business from the Floor: NONE

Claims:

Per the docket in the amount of:

062	Consumer Deposits	\$19.38
064	Waterworks Operating	\$170,175.48
066	Water Improvements	\$108,573.55
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Total		\$278,768.41

Director Dabrowski moved to approve the claims per the May 31, 2017 docket in the amount of \$278,768.41. Director Norris seconded. On a vote *viva voce*, the motion passed.

Next Meeting:

The next Public Meeting will be held on Thursday, June 22, 2017 at 7:00 p.m. following a study session at 6:30 p.m.

ADJOURNMENT: With no other business to come before the Board of Waterworks Directors, President George A. Smith moved to adjourn. Director Norris seconded. On a vote *viva voce*, the motion passed. Meeting adjourned at 1:51p.m.